

OGC HAS REVIEWED.

22 December 1955

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MEMORANDUM FOR: Mr. [REDACTED]

SUBJECT: Collection of Accounts

1. For some time I have had the feeling that I have not kept you sufficiently informed on the mechanics of the participation of this Office in the current effort to dispose of the backlog of debts due the Agency from former personnel. This memorandum is intended to brief you more fully on the matter.

2. The work of the Committee on collection of old accounts is now done as follows. The Finance people select accounts which, for one reason or another, they regard as a particular problem. These they place on the agenda for the next meeting. Several days prior to the meeting, the Finance files are transferred to Security to permit Security to advise on security factors. Security then sends the files to me for my examination prior to the meeting. These files are delivered to us by hand and we do not log them in. I return them to Finance with me when I go to the meeting concerned.

3. In more recent weeks, the practice has developed that a Finance man and I write some of the letters to go out to the former employees. This is done informally in a conference between the Finance man and myself, usually a day or two after a meeting in which this action is agreed upon. For example, I anticipate that today's meeting will decide that two letters should be written in this manner.

4. When an account has been considered by the Committee as uncollectible by the efforts of the Agency, the Committee agrees that it will be referred to this Office for consideration and referral to GAO and the Department of Justice. In these cases, the Finance file is formally sent to us by a memorandum from the Chief of the Finance Division. Receipt of these memoranda and files Miss [REDACTED] records in a separate log, attached hereto, which she maintains with the Finance files in my safe. The log shows the date the Finance and/or Personnel Division files reach

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us, the date of the dispatch of our letter to GAO, and the date of the return of the Finance Division file to Finance. (No files have been returned to Finance as yet. I plan to keep them several months after our referral to GAO in order to have them available in the event of inquiry from GAO.) We now have fifteen files from Finance. Of these, a letter has been sent to GAO on nine cases. One case is being held pending the location of additional documents (receipts) by Finance; in one other case I am attempting to reach the individual, who lives in Washington, via his former case officer; the remaining four cases have yet to be handled. A number of other files have been sent to us from Finance which I have returned for some reason, e.g., for Finance to locate receipts or other documents, for another effort by letter to the individual, etc.

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RJH
Assistant General Counsel